

# *Opportunity Mississippi*

*Detailing the Roadmap to Success*



G O V E R N O R   P H I L   B R Y A N T

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## To My Fellow Mississippians:

When I delivered my Inaugural Address, I outlined the vision of a Mississippi where all citizens could rise together to a bright, successful future:

- a future where every Mississippian has the opportunity to be gainfully employed right here at home;
- a future where every Mississippian has the opportunity to learn from the best educational system we can offer;
- a future where every Mississippian has the opportunity to be born into a mature, two-parent family; and
- a future where every Mississippian has the opportunity to be sure his or her tax dollars are put to proper use.

Achieved together, these four goals will create a Mississippi of limitless opportunity. However, vision without action is only an illusion. If we are to reach the bar we set, we must develop a clear path to progress. This document helps chart the way forward and illustrates our success so far in reaching our goals.

This plan is also an important component of developing and implementing a performance-based budget system for our state. Since my time as State Auditor, I have advocated for Mississippi's adoption of a budget system that allocates resources based on results and not who someone knows in Jackson. Budget leaders in the Mississippi Legislature are becoming more serious about reforming the state's budget system, and I look forward to working with them to develop a strong, accountable model.

Transparency is critical to fair government, and each legislative item listed in this document includes a bill number and the legislative session in which it was enacted. You can access complete copies of these bills, along with legislative vote counts and other actions, at Mississippi's web portal [www.ms.gov](http://www.ms.gov). You can also access live legislative webcasts from [ms.gov](http://ms.gov) during the legislative session each year. I started the Senate webcast while I was Lieutenant Governor, and both legislative chambers broadcast their sessions today.

Our state faces many challenges, but we are facing them together and together we are succeeding. We are blessed with an abundance of resources, the most important of which are innovative, hardworking Mississippians. I am thankful for the opportunity to serve you as Governor, and I look forward to even more success for our state.



***As Governor, my goal is to achieve a brighter future for Mississippi by pursuing economic growth through hard work, individual responsibility, government efficiency and thrift.***

To achieve this overall goal, my administration is focusing on the four broad objectives I outlined in my Inaugural Address.

**1. Build a future where every Mississippian has the opportunity to be gainfully employed right here at home by taking these steps:**

- developing a business-friendly environment that helps large and small businesses flourish;
- engaging stakeholders to promote Mississippi as being open for business;
- supporting the role of the Mississippi Development Authority;
- capitalizing on economic sectors that are ripe for growth;
- keeping taxes low;
- prioritizing workforce development;
- maximizing transportation infrastructure to make Mississippi a major throughput for the global economy; and
- ensuring an equitable legal climate that does not stifle economic growth.

**2. Build a future where every Mississippian has the opportunity to learn from the best educational system we can offer by taking these steps:**

- focusing resources where we have the best chance of improving outcomes;
- preparing children for lifelong learning by improving literacy skills and ending status-quo social promotion;
- developing and rewarding teacher and school leader effectiveness and quality;
- continuing early childhood education efforts;
- empowering students and families by increasing school choice; and
- reducing the dropout rate and increasing college and career readiness among high school students.

**3. Build a future where every Mississippian has the opportunity to be born into a mature, two-parent family by taking these steps:**

- confronting and reducing Mississippi's teen pregnancy rate;
- strengthening efforts to identify and prosecute child predators;
- using every means possible to successfully collect and distribute child support payments; and
- defending the unborn.

**4. Build a future where every Mississippian has the opportunity to be sure his or her tax dollars are put to proper use by taking these steps:**

- establishing a performance-based budget system that allocates resources based on results, not politics;
  - rejecting bloat and budget busting policies;
  - reigning in rising health care costs by promoting individual health responsibility, employment growth, and low-cost alternatives to high-cost government expansions;
  - saving for the future and adhering to "the 98 percent rule";
  - protecting Mississippi's credit rating and reducing and managing state debt;
  - prioritizing resources and focusing on the core responsibilities of government, including public safety and judicial processes;
  - protecting military missions, veterans and military families; and
  - defending constitutional freedoms.
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# *Progress and Accountability*



GOVERNOR PHIL BRYANT

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## Job Number One: Making Mississippi the Most Job-Friendly State in America

When a Mississippian has a job, his or her life changes. A Mississippian with a job is less likely to need public assistance, is more likely to regularly contribute taxes to the state treasury, is a strong example of responsibility to his or her children, and is more likely to vote, to participate in a community, and to avoid crime. Each day I am Governor, I make it my job to ensure more Mississippians have a job of their own.

State government cannot create jobs, but it can remove unnecessary impediments to economic development and foster a business climate that makes the state attractive for private sector investment.

### Our Goal

*Create the opportunity for every Mississippian to be gainfully employed right here at home*

### Our Strategy

Identify Mississippi as the state of choice for private sector investment and job creation by removing unnecessary impediments to economic development, adopting policies that attract and encourage private sector investment, and communicating this story to the business world.

### The Steps We Are Taking to Reach Our Goal

Creating a state where job opportunities abound is critical for Mississippi's long-term success, and I am taking steps in these key areas to lead our state down the path to success:

- developing a business-friendly environment that helps large and small businesses flourish;
- engaging stakeholders to promote Mississippi as being open for business;
- supporting the role of the Mississippi Development Authority;
- capitalizing on economic sectors that are ripe for growth;
- keeping taxes low;
- prioritizing workforce development;
- maximizing transportation infrastructure to make Mississippi a major throughput for the global economy; and
- ensuring an equitable legal climate that does not stifle economic growth.

*Following pages: policy details*



## The Details

### **Developing a business-friendly environment that helps large and small businesses flourish and engaging stakeholders to promote Mississippi as being open for business**

Immediately after taking office in 2012, I convened a group of business leaders to lend private sector expertise to Mississippi's business development efforts. *Mississippi Works* is chaired by Jim Barksdale and Bill Lampton and is tasked with these goals:

- Help craft a long-range strategy to expand economic opportunities in Mississippi with a focus on workforce development;
- Help bring new investments to all regions of our state while continuing to grow existing businesses and expand them into new markets; and
- Provide a forum for Mississippi Business Leaders to learn about the great work going on throughout our state, giving them tools they can use in spreading Mississippi's success stories around our nation and world.

At the close of the 2012 Regular Legislative Session, I signed these Mississippi Works measures into law:

- Senate Bill 2792 (Dual credit-dual enrollment): establishes a pilot program that allows at-risk high school students to learn a skill or trade while completing their high school education.
- Senate Bill 2398 (Small Business Regulatory Flexibility Act): establishes a volunteer committee of former and current small business owners and officers who will review proposed and existing regulations in our state to determine if those regulations are harmful to small businesses.
- Senate Bill 2934 (Inventory tax relief): eases the burden of Mississippi's antiquated inventory tax by providing offset tax credits.

At the close of the 2013 Regular Legislative Session, I signed these Mississippi Works measures into law:

- House Bill 932 directs \$8 million to Mississippi's Workforce Enhancement Training *without* raising the unemployment tax. This bill generates these additional funds for one year, offsetting the cost with a portion of \$14 million in fraudulently obtained unemployment benefits that the Mississippi Department of Employment Security has recovered.
- House Bill 117 creates the Mississippi Development Authority Job Training Grant Fund for the purpose of making job training grants to businesses. Companies can receive up front job training funds in lieu of other tax incentives.

### **Supporting the role of the Mississippi Development Authority**

My administration has encouraged the Legislature to prioritize funding for the tools and programs the Mississippi Development Authority uses to recruit business location and expansion in Mississippi. All of my Executive Budget Recommendations have included appropriate support for MDA and the efforts it undertakes to support and recruit business in Mississippi.

## The Details

### Capitalizing on economic sectors that are ripe for growth

#### *Energy Expansion: Powering Our Future*

Mississippi sits at the cusp of unprecedented energy opportunity and has again been rated by the Fraser Institute as **a top spot in the world for oil and gas investment**. No other state in this nation has the wealth and diversity of energy resources and infrastructure that our state enjoys. By employing smart growth tactics, we can lead the United States in energy development while generating good paying jobs for our residents and affordable power to fuel our economy.

In October 2012, I issued *Energy Works: Mississippi's Energy Roadmap*, a comprehensive plan that analyzes Mississippi's energy landscape and details "all of the above" strategies for growing this important industry.

*Energy Works* details opportunities in six key focus areas that will play vital roles in growing Mississippi's energy economy:

- Enhancing Mississippi's position as a top state for oil and gas-related exploration and extraction
- Promoting Mississippi's competitive advantages, maximizing energy resources and expanding the energy value chain
- Expanding energy capacity through conservation and efficiency
- Developing transportation and energy infrastructure to meet growing demand
- Increasing energy-focused research and development
- Meeting the workforce needs of the energy industry

Following the strategies set forth in *Energy Works*, I introduced and signed the following pro-energy policies during the 2013 Regular Legislative Session:

- House Bill 844, Sales Tax Exemption on Energy for Manufacturing exempts sales tax on energy used in manufacturing. While Mississippi boasts energy costs nearly 20 percent below the national average, HB 844 further cuts the cost of one of the key drivers companies consider when choosing a location for new investment. Manufacturing comprises a large portion of Mississippi's economy, and advanced manufacturing and onshoring remain key target sectors for the state.
- Senate Bill 2564, Energy Infrastructure Revolving Loan Fund gives Mississippi communities the ability to help finance energy infrastructure (for instance, gas lines and transmission lines) for companies that invest more than \$50 million in an economic development project. This law provides the State a new low-interest financing tool to help companies locate or expand in Mississippi.
- House Bill 841, Sales Tax Reduction on Electricity for Enhanced Oil Recovery decreases the sales tax paid on electricity to 1.5 percent for oil and gas produced in the state using carbon dioxide as a method of enhanced oil recovery (EOR). Existing Mississippi EOR policy is considered by many to be the best in the nation, and the passage of HB 841 will both further improve our position and help to grow this industry in our state.

## The Details

### *Energy Expansion Continued*

- House Bill 826, Rebate on Research and Development Costs defrays the research and development costs of companies that operate in Mississippi and partner with a state institution of higher learning. Under this new law, a corporation that collaborates with a state university for research and development purposes, including energy-related research, is eligible for a 25 percent rebate of the total research costs. This law will assist companies looking to tap into the wealth of energy expertise and resources available in Mississippi's research institutions.
- House Bill 1296, Energy Sustainability and Development Act codifies the Mississippi Development Authority's Energy and Natural Resource Division, which will work to promote Mississippi as a leader in energy development, job creation and research. In addition, the act mandates that state agencies work with MDA and the Mississippi Department of Finance and Administration to develop energy management plans and report usage in order to lower costs and conserve energy.
- House Bill 1266, Enhanced Building Codes for State Owned Buildings requires that all major facility projects overseen by DFA for state-owned buildings must be constructed to the American Society of Heating, Refrigerating and Air-Conditioning Engineers 2010 standard. These standards help state-owned buildings to be more energy efficient, which will help save money on utility costs.
- House Bill 1281, Energy Efficiency Standards for Commercial Buildings increases the energy code standard for commercial buildings to meet the 2010 standard as created by the American Society of Heating, Refrigerating and Air-Conditioning Engineers. Combining HB 1281 with HB 1266 helps move Mississippi in the right direction for becoming more energy efficient. Mississippi is the first state in the Southeast to adopt this code standard for commercial buildings and public facilities.
- House Bill 1685, Alternative Fuel Vehicle Revolving Loan Fund creates a \$2.75 million zero-interest revolving loan fund, to be administered by MDA, that will allow municipalities and school districts to borrow funds for the cost of purchasing or converting vehicles to natural gas or propane and for the cost of infrastructure required for fueling.

In addition to signing direct legislative policies, I am also working closely with both the Southern States Energy Board and the Interstate Oil and Gas Compact Commission to develop regional and national policies that promote domestic energy production and expansion.





## The Details

### Capitalizing on economic sectors that are ripe for growth

#### *Health Care: An Economic Driver*

Just as energy has the power to push Mississippi's economy forward, health care is another major economic driver. Because making quality health care available in all areas of our state is so important to ensuring the health of our residents and our businesses and because Mississippi is home to an aging population with an increasing need for health care, we cannot turn a blind eye to developing this industry.

First and foremost, we must develop the assets we have and work to ensure that Mississippi employs enough physicians and medical professionals to serve the state, and I have set a benchmark to **establish 1,000 new physicians in Mississippi by 2025**. We have made and make significant progress toward that goal by:

- Directing \$10 million in grant funding toward the expansion of the University of Mississippi School of Medicine and securing an additional \$31 million in bond approval from the Legislature to further the expansion. *UMMC estimates that with new school, it can train an additional 1,000 physicians by 2025 and support more than 19,000 new jobs.*
- Signing House Bill 317, (2012 Regular Legislative Session) which establishes the office of Physician Workforce, which is tasked with to creating new medical residency programs throughout the state. One new program is already set to open in Hattiesburg, Mississippi.
- Signing Senate Bill 2302, (2013 Regular Legislative Session) which expands Mississippi's successful Rural Physicians Scholarship Program. This bill removes the statutory cap on the number of enrollees and allows the Legislature to grant as many scholarships as there is funding for.
- Signing House Bill 776, (2013 Regular Legislative Session) which establishes the Rural Dentists Scholarship Program. This program is similar to the Rural Physicians Scholarship program, and up to three students can participate each year depending on funding.
- Signing Senate Bill 2209, (2013 Regular Legislative Session) which requires health insurance plans in Mississippi to provide coverage for telemedicine services to the same extent that the services would be covered if they were provided through in-person consultation. Mississippi is leading the nation in this effort, and this measure is foundational in expanding health care opportunities to rural communities throughout the state.

Health care is about serving the health and wellness needs of people, but it also about serving the economic health and wellness of a state, region and community. Expanding this industry will not only help us build a healthy workforce and provide Mississippians with the choice to seek cutting-edge health care at home, it will generate new possibilities for jobs throughout the health care spectrum.

During my 2013 State of the State address, I announced the formation of the Mississippi Healthcare Solutions Institute. Chaired by Dr. Clay Hays, a respected cardiologist. This public-private, non-profit partnership serves as a chamber of commerce for health care, bringing the medical industry together and supporting health care as an economic driver in our state.

## The Details

### ***Health Care Continued***

Many of the strategies we are employing to expand Mississippi's health care industry are detailed in Blueprint Mississippi Health Care: *An Economic Driver*, which is a report I released in October 2012. The recommendations in the report focus on four priorities:

- Workforce development: A healthy, productive population enhances the prospects of business attraction, retention and growth.
- Quality of life: Accessible, affordable health care improves the lives of Mississippians and provides a better quality of place because of availability of quality services, as well as jobs and opportunities from all the facets of the health care system.
- Business sustainability: Healthier workers will reduce lost time due to illness and will increase productivity, improving Mississippi's competitiveness, growth and sustainability.
- Creation of economic wealth: Growth of a statewide health care industry cluster and collaboration across this economic sector will contribute jobs and encourage wealth creation.

One of the Blueprint Health Care objectives I am pursuing is establishing health care zones around the state:

- 2012 legislative session, signed House Bill 1537, the Mississippi Health Care Industry Zone Act, to spur health care development within five miles of major acute care hospitals. Under the act, businesses like laboratory testing facilities, medical supply distributors and biotechnology research facilities that either make an investment of at least \$10 million or create a minimum of 25 full time, permanent jobs within the health care zone are eligible for certain tax incentives. Shortly after I signed the law, Teleflex, a high-tech medical supply company, announced plans to locate a distribution center—and 225 jobs—in Mississippi.
- 2013 legislative session, improved the Health Care Industry Zone Act (House Bill 722) to include health care and workforce housing investment in smaller communities that developed a certified health care master plan in lieu of meeting the original law's acute care bed count. These plans are valuable, proactive tools that will aid communities, MDA and local economic development practitioners as they work to attract the start-up or recruitment of a variety of private sector health-related industries. To date, 12 Mississippi cities have become Health Care Zone Master Plan Communities:

Clarke County: Quitman

Clay County: West Point

Copiah County: Hazlehurst

Hancock County: Bay St. Louis-Waveland

Humphreys County: Belzoni

Madison County: Canton

Marshall County: Holly Springs

Montgomery County: Winona

Noxubee County: Macon

Panola County: Batesville

Scott County: Morton

Yazoo County: Yazoo City

## The Details

### Keeping taxes low

In addition to an inventory tax offset (Senate Bill 2934, 2012 Regular Legislative Session), unemployment tax stability (House Bill 932, 2013 Regular Legislative Session), a host of targeted tax relief measures to spur energy development (HB 1698, HB 844, HB 826 and HB 841, all 2013 Regular Legislative Session) and tax measures to grow Mississippi's health care economy (House Bill 1537, 2012 Regular Legislative Session and House Bill 722, 2013 Regular Legislative Session ), we have also signed these tax relief measures:

- Relief from Mississippi's delayed-accelerated tax burden (2013 Regular Legislative Session): Lifted a burdensome tax requirement that unfairly penalized small businesses. For many years, the Legislature had required some small businesses to pre-pay some of their corporate income taxes each year so lawmakers could shift money around as a budget trick to balance state spending. For many businesses, this created a cash crunch. My Fiscal Year 2014 Executive Budget Recommendation balanced the budget without relying on this unfair tax mechanism, and I recommended the Legislature end the practice for smaller employers. They heeded my advice, and smaller employers are now free from this burden.
- Senate Bill 2829 (2013 Regular Legislative Session): Continued sales and ad valorem tax exemptions on telecommunications equipment that is used in the deployment of broadband technologies. The growth of broadband in Mississippi is key to families, businesses, schools and universities, and health care providers.
- Senate Bill 2342 (2012 Regular Legislative Session): Signed targeted tax relief for storage of products that are made in Mississippi and then exported outside the state. This tax relief measure protects Mississippi manufacturers and can help encourage more exports of Mississippi-made products.
- Senate Bill 2609 (2012 Regular Legislative Session): Continued tax credits for employers who provide employees with training at Mississippi's community, and junior colleges.
- Senate Bill 2613 (2012 Regular Legislative Session): Strengthened targeted tax relief measures for companies that receive materials through Mississippi's public ports, harbors, and airports.

### Prioritizing workforce development

Time and time again as I visit with leaders of companies around the state and across the globe, I hear positive feedback on the quality of Mississippi's workforce. Mississippians have an unmatched work ethic, the desire to succeed, and the capability to perform in the global economy.

As Governor, I work closely with the Mississippi Development Authority, the State Workforce Investment Board and Mississippi's outstanding network of community and junior colleges to expand and strengthen training and education opportunities for Mississippians.

From increasing funding for workforce training (House Bill 932, 2013 Regular Legislative Session) and providing companies with new options for workforce investment (House Bill 117, 2013 Regular Legislative Session) to providing high school students with new opportunities to careers in craft and trade professions the (Senate Bill 2792, 2012 Regular Legislative Session), I will continue striving to provide Mississippians and the companies that employ them with the tools they need to succeed.

## The Details

### **Ensuring an equitable legal climate that does not stifle economic growth**

Mississippi has worked to create a legal climate that promotes, rather than prohibits, growth.

- In May 2012, I signed House Bill 211 (2012 Regular Legislative Session), which is also known as the Sunshine Act. This measure requires Mississippi's Attorney General and state agencies to prove that hiring outside attorneys is both cost-effective and in the public interest. The bill also limits fees that can be paid to outside attorneys.
- Though passed several years before my term, The Tort Reform Act of 2004 House Bill 13 (2004 First Extraordinary Session) has transformed Mississippi's legal climate into one where businesses do not fear frivolous lawsuits. I support these reforms, and the state continues to benefit from them today.

### **Maximizing transportation infrastructure to make Mississippi a major throughput for the global economy**

Mississippi's transportation network consists of roads, rails, rivers, and ports. Each of these infrastructure components, coupled with Mississippi's location in the center of the south, drives economic development and job creation in our state.

Investing in infrastructure improvements is often an important part of attracting new businesses to the state or helping existing businesses expand. How to best fund the state's transportation needs in the future is a question that must be answered. There has been much discussion but little consensus on funding road and highway improvements through a fuel tax increase. A combination of efficiencies within the system to include more private outsourcing of construction and maintenance, as well as continued investment in the state's overall economic growth, may well be an effective place to begin.





## Measuring Our Success

Since becoming Governor, I have worked every day to implement pro-growth policies and recruit new businesses to Mississippi. As a result, **we have announced the creation of more than 8,900 new jobs and more than \$1.4 billion in private sector investment since I have taken office.** Of the total number of new jobs announced, more than 6,200 were announced in 2013, exceeding my goal of 5,000. I remain steadfastly dedicated to growing Mississippi's economy, and if the national economy does not again falter, I am hopeful that Mississippi can reduce its unemployment rate to 7.5% by 2017.

### *Recapping Mississippi's Economic Development Success:*

Mississippi's economy grew 2.4 percent in 2012, outperforming the Southeast's 2.1 percent growth average. More, our **economy totaled more than \$100 billion for the first time.**

Mississippi's Fiscal Year 2013 **revenue collections exceeded the Sine Die estimate by more than \$295 million**—strong evidence that the state's economy continues to improve.

*"Yokohama Tire Company chooses West Point, Miss., as its first ground-up U.S. manufacturing location. Potential for 2,000 new jobs..."*



*"Nissan locates first major U.S. supplier park and 800 new jobs in Canton, Mississippi..."*

*"GE Aviation locates a second jet engine manufacturing facility in Mississippi..."*

*"General Dynamics Information Technology locates major call center and 1,000 jobs in Hattiesburg, Mississippi..."*

*"Canadian stonewool manufacturer Roxul breaks ground on first U.S. manufacturing plant in Byhalia, Mississippi..."*



## Measuring Our Success, continued

In November 2013, *Expansion Solutions* magazine recognized Mississippi with its **“Top Five Award of Excellence”** in advanced manufacturing.

*Area Development Magazine*, an economic development publication, awarded Mississippi a **second consecutive Silver Shovel Award** for strong economic development performance and ranks the state **number nine on its list of top places to do business**.

The American Legislative Exchange Council placed Mississippi among the **top ten states for overall economic outlook** for 2013.

The Kauffman Index of Entrepreneurial Activity named Mississippi **fifth in the nation for business startup activity** in 2012, and CNN Money echoed the ranking.

American City Business Journals named Governor Bryant **fourteenth among U.S. governors for job creation** in its *On Numbers* rankings.

Bankrate.com named Mississippi the **number five state for retirement**, citing low taxes and lower-than-average cost of living.

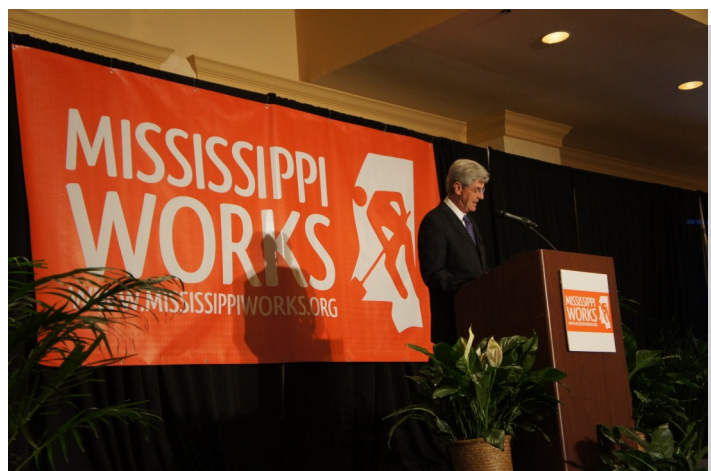
*“Teleflex takes advantage of new health care zone incentives, locates distribution center and 250 jobs in Olive Branch...”*

*“Raytheon expands in Forest, Mississippi, creating 150 new jobs...”*

*“Metso expands conveyor component manufacturing operations in Mississippi Delta...”*

*“Companies announce oil sands partnership in Southwest Mississippi...”*

*Global furniture leader Ashley Furniture expands North Mississippi operations...”*



***“Mississippi is working, and we don’t intend to stop.” — Governor Phil Bryant***

## Education: Building the Path Forward

Nothing is tied more closely to Mississippi's ability to attract and retain economic investment than our education system. The children who learn today will be the adults who will lead tomorrow, so it is essential that we as a state understand that our road to success includes a trip through the classroom.

For too long, Mississippi's schools have been mired in the status quo. We certainly have not been without dedicated teachers and hard-working students, but many of our policies have produced only more of the same results.

**Mississippi will no longer settle for mediocrity.** At the close of the 2012 Regular Legislative Session, I announced that my chief focus for the 2013 Regular Legislative Session would be implementing transformational change in Mississippi's public education system. My education policies were created in collaboration with education leaders, teachers and researchers, and the Mississippi Legislature responded by adopting my Education Works agenda.

### Our Goal

*Build a future where every Mississippian has the opportunity to learn from the best educational system we can offer*

### Our Strategy

Transform Mississippi's public education system by replacing the status quo with transformational policies that drive teacher quality, literacy improvements, and student achievement.

### The Steps We Are Taking to Reach Our Goal

As Mississippi's economy grows, our educational attainments must keep pace. I am taking steps in these key areas to lead our state down the path to success:

- focusing resources where we have the best chance of improving outcomes;
- preparing children for lifelong learning by improving literacy skills and ending status-quo social promotion;
- developing and rewarding teacher and school leader effectiveness and quality;
- continuing high quality early childhood education efforts;
- empowering students and families by increasing school choice; and
- reducing the dropout rate and increasing college and career readiness among high school students.

*Following pages: policy details*



## The Details

### **Focusing resources where we have the best chance of improving outcomes**

As we change our approach to what works in the classroom, we must also ensure we are funding what works. As Governor, my Executive Budget Recommendations have:

- Maintained funding to the formula that drives K-12 education spending in Mississippi.
- Called for funding the high growth formula for districts that continue to take on more students.
- Funded Teach for America and Mississippi Teacher Corps programs.
- Fully funded the National Board Certified Teacher program.

I am especially proud of the success Mississippi has achieved through the Mississippi Teacher Corps and the National Board Certified Teacher program. The Teacher Corps, which trains non-education majors to teach in high-need and high-poverty schools, recently marked its largest class in the history of the program. Additionally, the Bill and Melinda Gates Foundation recently awarded Mississippi a \$300,000 sub grant to help recruit and support early-career teachers who wish to pursue National Board Certification. Research proves that student achievement is tied heavily to teacher quality, and Mississippi children will certainly benefit from having more National Board Certified teachers in the classroom.

### ***Addressing Mississippi's Education Crisis***

It is no secret that Mississippi's public education system has not produced the outcomes we would hope for. The statistics are troubling:

- In 2011, 16,000 Mississippi students did not graduate, largely due to inadequate literacy skills.
- Forty-six percent of our third graders are not proficient in reading and are four times more likely to drop out than a child in the same cohort who reads on grade level.
- Literacy shortcomings worsen as students progress, and by eighth grade, the child who is not reading proficiently will become 2.7 times more likely to need food stamps than his or her peers reading on grade level.
- That same child is also 2.6 times more likely to receive TANF benefits from the state and is 3.7 times more likely to be incarcerated.
- Mississippi's fourth and eighth graders are 49th and 48th respectively in national math rankings.
- More than 80 percent of Mississippi high school students say they want at least a four-year college degree, but only 11 percent of those students met all of the ACT college readiness benchmarks. Worse, 43 percent of those students met NONE of the benchmarks.

### ***Education Works***

Mississippi can and must do better, and I developed and signed my Education Works agenda to address and overcome these statistics. My agenda was passed by during the 2013 Regular Legislative Session in a package of four bills and several funding initiatives. If the Legislature will continue to support and fund these policies, we will see transformational change in Mississippi classrooms.

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## The Details

### **Preparing children for lifelong learning by Improving literacy skills and ending status-quo social promotion**

- My “Third Grade Gate” literacy measure, Senate Bill 2347, (2013 Regular Legislative Session) will improve literacy achievement by ending social promotion of third grade students who are not reading on grade level. The measure allocates resources to schools to screen students’ literacy skills and provide those who are struggling to read with additional help, including the assistance of trained reading coaches. K-3 teachers and administrators will participate in training on best practices for reading instruction so they can implement effective reading instruction in their classrooms.

As this policy is fully implemented, we will gain a better understanding of how many children are struggling with literacy, and we will in turn be able to prove the need for additional resources. With proper funding, Mississippi can achieve the ideal ratio of one trained reaching coach per nine classroom teachers. This in turn will ensure that the children who are identified to have difficulty reading receive the highest quality intervention attention.

Another important component of improving literacy outcomes is identifying and treating Dyslexia. In 2012, I was very pleased to sign both House Bill 1031 (2012 Regular Legislative Session) and House Bill 1032 (2012 Regular Legislative Session). These bills created a mandatory Dyslexia screening for elementary school students and also established funding so public school students whose school does not offer adequate Dyslexia screening can instead attend a private school that specializes in intervention and therapy. Additionally, the bills established a scholarship program for college students who wish to become certified Dyslexia therapists in Mississippi public schools.

### **Developing and rewarding teacher and school leader effectiveness and quality**

Research proves that teacher quality is tied directly to student achievement, and my Education Works agenda included three measures to improve teacher quality in Mississippi:

- Senate Bill 2658 (2013 Regular Legislative Session) creates scholarships for students with a 3.5 high school GPA and a 28 ACT score who wish to become teachers and commit to teaching in a Mississippi public school for five years. The legislation establishes funding for 200 scholarships for students choosing to enter education and offers an additional \$6,000 stipend for those who agree to teach in critical needs areas throughout the state.
- Senate Bill 2188 (2013 Regular Legislative Session) raises standards for entry into teacher education programs at Mississippi universities. To be admitted to a teaching program, a student must either score a 21 on the ACT or pass the Praxis Core Academic Skills for Educators assessment. Additionally, the average grade point average on pre-major coursework for each class or cohort of teaching students must be at least 2.75.
- Senate Bill 2658 also established a merit pay pilot program for teachers in Clarksdale, Gulfport, Lamar County and Rankin County school districts. My Fiscal Year 2015 Executive Budget Recommendation included funding to continue this pilot so teachers who have earned merit increases can keep them. The results of the pilot will be used to inform policy recommendations in the 2016 legislative session, and my goal is to spread the merit pay model to districts throughout the state so all top teachers can earn a higher salary for their efforts.

## The Details

### **Developing and rewarding teacher and school leader effectiveness and quality, continued**

These measures, along with Mississippi's support of the National Board Certified Teacher Program and Teach for America, will help our state enhance teacher quality and improve student outcomes.

Mississippi may also increase its number of highly qualified teachers by working to build its "alternate route" teacher certification program. In lieu of an education degree, alternate route teachers often have a subject area degree. Some enter the teaching profession immediately upon college graduation, and some work in another career field before entering the classroom as a teacher. Alternate route teachers are required to take additional classes to obtain their teaching license, and once in the classroom, are often more likely to remain teaching than someone with an education degree. I am open to exploring scholarships, recruitment pipelines, and other efforts to increase the number of alternate route teachers in Mississippi.

### **Continuing high quality early childhood education efforts**

Several programs in the state such as Mississippi Building Blocks and Excel by Five focus on providing high-quality early learning opportunities to prepare children for school. The ultimate responsibility for a child's earliest education rests with his or her parents and guardians and while I do not support mandatory pre-kindergarten, I am supportive of efforts like Building Blocks that prove positive outcomes for children. My education priorities have included funding for these efforts, and policymakers continue to learn from the best practices that Building Blocks and other high-quality programs have developed.

Mississippi has also recently established a statewide early learning collaborative. Supported by the Mississippi Economic Council and business leaders across the state, this legislation (Senate Bill 2395, 2013 Regular Legislative Session) established grant funding for qualified early learning programs. In order to ensure that this funding is used for the highest benefit of children, it will be imperative for lawmakers to ensure that awards are made based on evidence of success.

### **Empowering students and families by Increasing school choice**

- House Bill 369 expands opportunities for the creation of public charter schools in low-performing D and F districts and is a strong step toward increasing school choice for Mississippi families. Instead of being trapped in poorly performing schools, students will have the opportunity to learn in environments that embrace success. The current law takes a measured approach to change and allows for the formation of up to 15 new charter schools each year. As the program grows, I am confident that Mississippi families will be pleased with the outcome, and I am hopeful that the dynamic of competition will raise performance in traditional public schools, as well. This Charter School Act, with Mississippi's new A-F school rating system Senate Bill 2776 (2012 Regular Legislative Session), is putting more information and more options into the hands of Mississippi families.

## The Details

### Reducing the dropout rate and increasing college and career readiness

Taken together, the policies in my Education Works agenda will ensure more success in Mississippi classrooms. This will translate into increased student achievement, higher graduation rates, an overall increase in success for children and what I hope will be a 10 percent reduction in the dropout rate by 2017.

My education agenda also includes specific drop out intervention efforts:

- Senate Bill 2658 (2013 Regular Legislative Session) requires districts with graduation rates of less than 80 percent to submit a restructuring plan of improvement to the Mississippi Department of Education. Schools and districts that are not meeting students' needs must be held accountable. Results in districts that are restructuring should be publicly published on a regular basis.
- House Bill 696 (2012 Regular Legislative Session) prohibits administrators from changing student grades.
- Senate Bill 2792 (2012 Regular Legislative Session) established a dual credit-dual enrollment program for at-risk high school students. Students have the opportunity to learn a skill or a trade while completing their high school course work. My Fiscal Year 2015 Executive Budget Recommendation included funding to expand this program.

Additionally, the Legislature has granted my request to provide funding that helps high school career-tech and dual enrollment students pay the fees required to obtain work certifications in fields like welding and HVAC technology. Lawmakers have also granted my request to fund the highly successful Jobs for Mississippi Graduates dropout intervention program. Students enrolled in this program have nearly a 100 percent success rate at graduating from high school, and I will continue working with the Legislature to expand this program to additional Mississippi school districts.

Finally, in the 2014 legislative session, I will ask lawmakers to fund a pilot program that allows high school students to take the ACT in lieu of a combination of other assessments that are currently required for graduation. The ACT has been proven as a sound benchmark for college and career readiness, and measuring student achievement against it will provide a more clear understanding of improvement needs.



## Measuring Our Success

Without a doubt, the best long-term evidence of the success of my administration's education improvements will be brighter futures for Mississippi children—more and better job opportunities, less reliance on public assistance, and increased prosperity.

To measure progress toward the ultimate goal, I have established these evaluation criteria for specific education improvement efforts:

### **Preparing children for lifelong learning by Improving literacy skills and ending status-quo social promotion**

- Document a 20 percent increase in literacy attainments for third grade students by 2017.
- Quantify the number of children who need literacy intervention as evidenced by the assessment that is part of the bill
- Pursue funding for the ideal 1:9 reading coach to teacher ratio for all schools that display a need
- Document the progress of students who have received literacy intervention and use that data to further inform best practices
- Measure the student outcomes in classrooms where the teacher has received literacy training as prescribed by the bill
- Record and analyze the number of third grade students scoring proficient in reading (increase over time)
- Record and analyze the number of students retained in third grade (decrease over time)
- Record number of students who receive the dyslexia therapy scholarship each year and analyze IHL efforts to promote the program
- Monitor changes in the number of students identified with dyslexia as a result of House Bill 1031
- Monitor number of students who receive quality intervention services as a result of House Bills 1031 and 1032 (2012 Regular Legislative Session)

### **Developing and rewarding teacher and school leader effectiveness and quality**

- Increase the percentage of highly-qualified teachers, including alternate route teachers, in Mississippi 20 percent by 2018.
- Record number of highly-qualified students who receive the new education scholarship each year and analyze IHL efforts to promote the program
- Record number of scholarship recipients who teach in critical needs areas upon graduation
- Measure math and reading outcomes for students taught by scholarship recipients
- Continue to fund and expand the National Board Certified Teacher Program and increase the number of Board Certified teachers in Mississippi 25 percent by 2018 and enhance their leadership roles in Mississippi schools
- Gather, analyze and report merit pay pilot results in order to inform best practices and policy recommendations in the 2016 legislative session
- Expand the opportunity for merit pay to teachers in 70 percent of Mississippi districts by 2018
- Monitor changes in teacher retention rates



## Measuring Our Success, continued

### Continuing high quality early childhood education efforts

- Monitor changes in student outcomes
- Monitor Kindergarten readiness and literacy outcomes
- Monitor the outcomes of students who are served by participants in Mississippi's early childhood learning collaborative grant program.

### Empowering students and families by Increasing school choice

- Monitor the number of students who move from low-performing schools to charter schools
- Monitor quality changes in D and F districts that approve charter schools
- Monitor the number of charters approved each year by the Charter School Authorizing Board
- Monitor student achievement changes in D and F districts that approve charter schools

### Reducing the dropout rate and increasing college and career readiness

- Reduce the high school dropout rate 10 percent by 2017
- Require regular public progress reports from districts with graduation rates lower than 80 percent that are required to submit restructuring plans of improvement to the Mississippi Department of Education
- Determine if students who receive assistance with earning a work certification obtain employment in their field of certification
- Monitor the number of at-risk students who complete high school as a result of programs conducted by Jobs for Mississippi Graduates
- Expand Jobs for Mississippi Graduates intervention efforts into more districts across the state



## A Bright Future: Investing in Our Children

As we work to create new opportunities for Mississippi through a stronger economy and a better public education system, we must be aware of obstacles to our success. Families are under enormous pressure in our overscheduled and overstretched world, and it is incumbent upon each of us in our own homes and communities to set positive examples and to teach positive values.

Left unchecked, the epidemic of teen pregnancy, the burden of absentee parenting, the threat of child predators, and disregard for the unborn will erode the foundation of our communities and undermine our potential as a state. It will take all of us working together to overcome these issues, and as Governor, I am proud to lead on these issues.

### Our Goal

*Build a future where every Mississippian has the opportunity to be born into a mature, two-parent family*

### Our Strategy

Invest in Mississippi's future by overcoming societal acceptance of both teen pregnancy and absentee parenting and by defending the unborn.

### The Steps We Are Taking to Reach Our Goal

Ensuring that every Mississippian has the opportunity to be born into a mature, two-parent family is critical to our state's stability. I am taking steps in these key areas to invest in our children and our future:

- confronting and reducing Mississippi's teen pregnancy rate;
- strengthening efforts to identify and prosecute child predators;
- using every means possible to successfully collect and distribute child support payments; and
- defending the unborn.

*Following pages: policy details*



## The Details

### **Confronting and reducing Mississippi's teen pregnancy rate**

If Mississippi is to reach its full potential, we must confront the epidemic of teen pregnancy. It puts families on the fast track to poverty and lost opportunity, it undermines the strength of our workforce, and it grows the state's financial obligations to public assistance programs.

Promoting a mature, two-parent family requires a united front from individuals, state officials, and community and faith-based organizations. In order to change the "cultural norm" in this state, we must take on this challenge together.

### ***Healthy Teens for a Better Mississippi***

In my first State of the State address, I called upon the Mississippi Department of Human Services and the Mississippi State Department of Health to develop a plan within 30 days for preventing and reducing teen pregnancy in Mississippi. Diverse partners from all sectors of society including men and women from the business, faith-based, government, education, media, and legal communities were invited to discuss how to effectively confront Mississippi's teen pregnancy issue. Together, we set bold goals:

- *Reduce the number of teen pregnancies, ages 8-19, by 15 percent (45 births per 1,000 females) by 2017*
- *Reduce the percentage of repeat teenage births from 21.4 percent to 15 percent by 2017*
- *Increase understanding among parents and guardians of the importance of teen pregnancy prevention programs*
- *Develop peer/leader programs that positively influence students to make wise choices related to sexual health*
- *Develop numerous partnerships across the state*

Through my Healthy Teens for a Better Mississippi initiative, we are engaging communities, schools, families, churches, government agencies, and most importantly, teens, to educate young people on making decisions that will help them reach their full potential. Together we have:

- Brought together youth, faith-based, business, state, and local leaders to host local forums and meetings to encourage frank discussion of teen pregnancy and its impacts.
- Hosted conferences, camps, community assessments, surveys, and training courses with various partners to spread awareness of the dangers of teen pregnancy.
- Initiated the Governor's Youth Council to serve as ambassadors and peer-educators in their communities. Originally only 20 members, the group has grown to 120 young men and women spread across Mississippi's nine public health districts with the highest concentration of teen births.
- Launched a visual media campaign to support ongoing community efforts.
- Joined with community partners to raise \$100,000 in private funding to launch a radio-based public awareness campaign designed to encourage youth and parents to discuss teen pregnancy and seek information on healthy decision making.

## **The Details**

### **Strengthening efforts to identify and prosecute child predators**

We know a child born to a teen mother almost always has a difficult path to success. We must change the direction of this reality beginning with the most obvious offender—the adult male. Any adult male who fathers a child with a teenage mother under the age of consent should be sought out and prosecuted as a sexual predator. In my first State of the State address, I challenged the Legislature to send the Child Protection Act to my desk, and I have signed these measures into law:

- 2012 legislative session, signed House Bill 16, the Child Protection Act, to require immediate reporting by health care practitioners, clergy members, teachers or childcare providers, law enforcement officers, and commercial image processors when faced with a reasonable suspicion that a sex crime against a minor has occurred. The measure also requires the preservation of DNA evidence resulting from abortions performed on children under the age of 14 when there is a suspicion of sexual assault.
- 2013 legislative session, House Bill 151, the Child Protection Act Enhancement Bill, was developed in conjunction with the Attorney General and is a landmark effort among states. The measure provides additional tools to local law enforcement officials and district attorneys by requiring post-delivery retention of fetal cord blood DNA when the mother is younger than 16 and does not name the father of the infant or lists the father of the infant as unknown; when the person named as the father of the infant disputes his fatherhood; when the person listed as the father is 21 years of age or older; or when the person named as the father is deceased.

### **Using every means possible to successfully collect and distribute child support payments**

Absentee parents and deadbeat dads not only fail to provide their children with emotional support and stability, but they also often fail to provide for essential needs like food, clothing, and health care. Mississippi must send a strong message that parents, not the state, bear the responsibility of providing for their children.

To help ensure custodial parents receive the child support payments they need, I signed House Bill 1009, (2013 Regular Legislative Session) which gives the Department of Human Services authority to seek outside help in collecting and distributing child support payments.

### **Defending the unborn**

I firmly believe that life begins at conception, and I support policies that protect the rights of unborn children to be welcomed into this world. Until the day that abortions are no longer performed in Mississippi, our state must take care to protect women who undergo the procedure.

To that end, I have signed:

- House Bill 1390 (2012 Regular Legislative Session), requires physicians who perform abortions to have admitting privileges at a local hospital
- Senate Bill 2795, (2013 Regular Legislative Session) the Women's Health Defense Act of 2013, restricts the use of abortion-inducing drugs to only physicians; sets protocol for follow-up care and reporting requirements when abortion-inducing drugs are prescribed, administered, or otherwise provided to patient; and establishes criminal and civil penalties for failure to comply.

## Measuring Our Success

The ultimate goal of our efforts—a Mississippi where all children are welcomed into mature, two-parent homes; a Mississippi where all children are safe from abuse at the hands of predators; and a Mississippi where all children receive the resources they need to grow and thrive—is lofty. However, I am confident that, working together, we can make great progress toward the reality of a better future for our children.

Already, we are seeing a decrease in Mississippi's teen birth rate, with births to teens between the ages of 15-19 decreasing from a rate of 65.6 births per 1,000 teens in 2008 to a rate of 46 births per 1,000 teens in 2012. This is great news, and we will continue working toward the goals I set at the outset of my administration:

- Reduce the number of teen pregnancies, ages 8-19, by 15 percent (45 births per 1,000 females) by 2017
- Reduce the percentage of repeat teenage births from 21.4 percent to 15 percent by 2017

The partnerships we are building with community, faith-based and youth groups around the state have been instrumental in our success thus far, and we will continue employing this strategy.





## **Responsible Governing: Using Resources Wisely**

Government has no dollar that it has not received from a taxpayer. Those entrusted with the privilege of serving in public office are duty bound to allocate resources prudently and to execute laws and policies with utmost respect for the true duties of government. In everything we do, we should ask ourselves, is this the responsibility of government?

### **Our Goal**

*Build a future where every Mississippian has the opportunity to be sure his or her tax dollars are put to proper use*

### **Our Strategy**

Ensure Mississippi's fiscal responsibility by focusing spending on what works and rejecting what does not and ensure accountability to Mississippians by prioritizing the core responsibilities of government

### **The Steps We Are Taking to Reach Our Goal**

In order for Mississippi to build a prosperous future the state must ensure that tax dollars are allocated appropriately and that core functions, including public safety and fiscal stability, are placed in high priority. I am taking these steps to ensure Mississippi's budget is sound and its core duties are fulfilled:

- establishing a performance-based budget system that allocates resources based on results, not politics;
- rejecting bloat and budget busting policies;
- reigning in rising state health care costs by promoting individual health responsibility, employment growth and low-cost alternatives to high-cost government expansions;
- saving for the future and adhering to "the 98 percent rule";
- protecting Mississippi's credit rating and reducing and managing state debt;
- prioritizing resources and focusing on the core responsibilities of government, including public safety and judicial processes;
- protecting military missions, veterans and military families; and
- defending constitutional freedoms.

*Following pages: policy details*



## The Details

### **Establishing a sound budget system that allocates resources based on results, not politics**

#### ***Performance Based Budgeting***

Mississippi's budget system is broken and must be fixed. Our state cannot be successful in the 21<sup>st</sup> century with a budget system from the 19<sup>th</sup> century. Instead of measuring outcomes and appropriating for success, our state budgets currently are set by two deciding factors: what was last year's budget number and who do you know at the Capitol. This practice is no way to treat tax dollars. We should work smarter, making spending transparent and designing budgets based on performance rather than politics.

Since my time as State Auditor, I have advocated for Mississippi's adoption of a performance-based budgeting system. Through the establishment of relevant performance measures for each agency and evaluation of an agency's performance against its measures, we gain invaluable data that help us answer critical questions: Was an appropriation used as intended? Did the money garner the expected results? Is this an effective use of taxpayer dollars?

**When we tie our spending to results, we stop spending money on things that do not work, and tax dollars are put to use where they make the most impact.**

I know that departing from old ways can seem cumbersome or even frightening, but I sincerely believe that a performance-based budgeting system is in Mississippi's best interest. Even the most modest of resources can be used to great success if they are applied intelligently.

I am encouraged that the Legislature has indicated it will adhere to more rigorous budget guidelines when making appropriations for Fiscal Year 2015, and I look forward to working with legislative leaders to develop an accountable budget model.

### **Rejecting bloat and budget busting policies**

#### ***Obamacare***

In addition to setting accountable budget guidelines, Mississippi must not take on bills it cannot pay. My administration has stood firm against the onslaught of Obamacare. With each passing day, the reality of the law becomes worse, with the President himself often acting unilaterally to pick and choose which tenants of the law to implement. Mississippi is already being forced to shoulder many of Obamacare's non-optional costs, but we do not have to sign on for an even more dramatic increase in expenses.

I will continue to oppose Obamacare's Medicaid expansion and other programs that will put Mississippi taxpayers on the hook for a massive entitlement expansion. **Projections estimate that with a full Medicaid expansion, Mississippi could expect to spend more than \$12 billion on the program between 2014 and 2020.** That's \$12 billion in *state* dollars, not federal. We cannot afford it, and willingly signing on to such a huge, ongoing expenditure despite that reality will create ruinous financial consequences for our state.

Despite political maneuvers and grandstanding by some, the Mississippi Legislature successfully reauthorized the Division of Medicaid without expanding Obamacare after I convened a Special Legislative Session in 2013. I remain hopeful that our Congressional Delegation and conservative lawmakers in the Mississippi Legislature will continue joining me in protecting Mississippi taxpayers from this train wreck.

## The Details

### **Reining in rising state health care costs by promoting individual health responsibility, employment growth and low-cost alternatives to high-cost public health care programs**

It is no secret that many Mississippians struggle with health issues like obesity, high blood pressure, and diabetes. Sometimes these issues are influenced by family history and other factors that are not easily controlled. However, choosing to live a healthy lifestyle that includes a sound diet and regular exercise can go a long way in establishing good health and lifelong wellness.

I strive to lead by example, and since becoming Governor, I have hosted two 5K Runs for Health. Hundreds of Mississippians have participated in each event, benefiting their own health and, in turn, setting a positive example in their communities.

I will continue working to encourage Mississippians to make healthy choices by inviting more Mississippians to participate in my 5K runs and by exploring ways to provide our state with additional pathways to good health.

Furthermore, dedication to economic development is creating more full-time jobs that will in turn allow more Mississippians to access health insurance and other health care services. And, the expansion of the UMMC School of Medicine will help reach our goal of training 1,000 new physicians to practice in Mississippi by 2025, which will in turn have a profound impact on access to health care.

I am also working to expand health care access for the most vulnerable Mississippians by growing the state's network of Community Health Centers. These comprehensive clinics provide primary care, dentistry and mental health services and serve patients regardless of age or ability to pay. They accept private insurance, Medicaid and Medicare, and they also serve the uninsured. In exchange for meeting certain guidelines, the clinics receive federal grant funding to assist with their operating expenses. There are 21 principal Community Health Center locations in Mississippi, most of which operate at least one satellite location. There are 165 total health care delivery sites in Mississippi's Community Health Center network.

My Fiscal Year 2015 Executive Budget Recommendation included a plan to grow this network by providing grant funding to clinics that expand hours and establish programs to divert patients away from emergency rooms and into the primary care clinics when appropriate. My budget recommendation also included grant funding to help launch new clinics.



## The Details

### Saving for the future

Responsibly managing Mississippi's budget involves ensuring that the state maintains adequate reserves to guard against unexpected expenses and economic dips. By law, the Legislature may only appropriate 98 percent of the state's General Fund revenue estimate, reserving the remainder as savings.

This savings law is often known as "The 98 Percent Rule", and my Executive Budget Recommendations have called for obeying it. The Legislature has begun heeding my call, and Mississippi is getting back into the practice of setting aside a portion of its revenues as savings.

I also believe it is critical to build these savings each year and fill Mississippi's savings account, also known as the Rainy Day Fund, to its limit. Continuing to build the state's reserves protects the state's financial soundness and will provide a vital cushion should failed federal policies and mounting national debt bring on another recession.

### Protecting Mississippi's credit rating and taxpayer burden by reducing and managing state debt

Responsible governing also requires eschewing the allure of "buy now, pay later" in favor of more disciplined spending. To that end, Mississippi's government must reduce both the amount that we borrow as well as the amount we already owe. Occasionally, issuing debt might be appropriate. Investing in an economic development project or amortizing the cost of an asset over the course of its useful life are two examples. But we must be cautious that we issue debt only for the right reasons, in the right amounts, and with a view to the long-term fiscal health of our state.

As Governor, I intend to reduce what we owe, and I have taken these steps to better manage state debt:

- As Chairman of the Bond Commission, I pledged not to allow the Bond Commission to approve the issuance of more debt in any given year than is retired, exclusive of bonds issued for economic development purposes, as these projects should yield higher revenues, which will in turn pay for the debt service costs associated with the bonds.
- I have recommended the Legislature phase out the practice of treating the Capital Expense Fund as a General Fund equivalent. I fought for the creation of the Capital Expense Fund as Lieutenant Governor so the state could set aside money for pay-as-you-go short and medium term capital improvement needs. My Fiscal Year 2015 Executive Budget Recommendation included the first phase of a five-year plan that spends the Capital Expense Fund on the state's capital improvement needs. If fully implemented over five years, this plan can save Mississippi taxpayers more than \$256 million in interest and fees we would have to pay if we issued debt for certain projects instead of paying for them with cash.

## The Details

### **Prioritizing resources and focusing on the core responsibilities of government, including appropriate investments in public safety and judicial processes**

#### **Public Safety**

The first and foremost duty of government is to ensure public safety. Our best efforts at growing our economy and providing a better future for our children serve little purpose if we do not ensure the proper function of our law enforcement and justice systems.

Throughout my time in public service, I have proudly backed the badge, and as Governor I have not waived in that position. My Executive Budget Recommendations have provided for public safety and military needs, and I have advocated for specific increases where they are needed. We cannot expect our law enforcement and justice systems to function well if we do not provide the funding and resources that are necessary.

Specific public safety priorities include:

- funding and conducting a trooper school to train and equip more sworn Highway Patrol officers;
- establishing and funding law enforcement strike teams to respond in high-crime areas around the state;
- properly funding and equipping the state crime lab and state medical examiner offices in order to increase capacity to process evidence and autopsies;
- properly funding and utilizing Mississippi's network of drug courts in order to divert low-level offenders away from high-cost prison settings and provide them with drug treatment opportunities;
- hiring additional assistant district attorneys around the state to improve efficiency in the judicial system;
- expanding Mississippi's network of county courts.

I also support policies to curb and contain state prison costs while protecting public safety and victims' rights. A recent report released by the State Corrections Task Force and The Pew Charitable Trusts included recommendations that reduce corrections costs while meeting these five objectives:

- \*Ensure certainty and clarity in sentencing.
- \*Expand judicial discretion in imposing alternatives to incarceration.
- \*Focus prison beds on violent and career offenders.
- \*Strengthen supervision and interventions to reduce recidivism.
- \*Establish performance objectives and measure outcomes.

I look forward to working with the Legislature during the 2014 Regular Legislative Session to tailor and codify the recommendations in the Task Force report.

*continues on next page*



## The Details

### Prioritizing Resources, continued

In my first State of the State Address as Governor, I announced that I would work with Mississippi's Secretary of State to improve government efficiency with regard to the state's multitude of government boards and commissions. Mississippi currently has 180 agencies boards, commissions, and councils, which control a large portion of the state's budget.

Most of these groups are managed by a board of appointed members who, once installed, have little requirement to attend board meetings or adhere to the guidance of the elected officials who appointed them. Although this adds an element of independence to these organizations, it also places great authority with non-elected officials who in turn can have a dramatic impact on the lives of Mississippians.

Working with the Secretary of State, I will recommend a number of reforms to the Legislature in the 2014 Regular Legislative Session that will help make these organizations more accountable to taxpayers.

Recommendations will include:

- eliminating any board or commission that has not met in 24 months;
- imposing four-year terms for board appointments established by statute;
- limiting terms to prohibit appointees from serving more than eight years consecutively;
- requiring financial audits at an interval of no less than two years for any board or commission that receives public funds;
- eliminating the mandate that appointments must come from a list supplied by a professional association or advocacy group;
- requiring all appointments to be made by elected officials;
- allowing appointees to be removed by the elected official who made the appointment with the approval of the majority of other board members; and
- requiring boards and commissions to publicly publish travel policies and travel expenses.

## The Details

### Protecting Military Missions and Families

Every day, the men and women of the Mississippi National Guard and the United States Armed Forces leave their homes and families to defend our safety and freedom. While we can never repay the debt of thanks we owe, we can take small measures to ensure that these Watchmen on the Walls are supported when they return home. I was proud to declare 2013 as the “Year to Hire Mississippi Heroes” and to provide job fair opportunities so that employers around Mississippi could connect with well-trained, job-seeking veterans. Additionally, I was very pleased to sign Senate Bill 2419 (2013 Regular Legislative Session), which ensures that veterans and military spouses receive priority when applying for work licenses and certifications.

With my first Executive Order as Governor, I also reestablished the Mississippi Military Communities Council to protect and promote Mississippi’s military interests. The state’s combination of federal and state military installations are estimated to generate more than \$2.5 billion in economic impact, and the Council works at the local, state, and federal levels to encourage the growth and longevity of these vital facilities.

### Defending Constitutional Freedoms

As Americans and as Mississippians, we are guaranteed the right to keep and bear arms. In fact, the Mississippi Constitution states *“The right of every citizen to keep and bear arms in defense of his home, person, or property, or in aid of the civil power when thereto legally summoned, shall not be called in question...”*

As Governor, I stand firm in supporting the rights of law abiding citizens to exercise these constitutional rights, and with the help of conservative legislators, I have signed these key measures into law:

- House Bill 2 (2013 Regular Legislative Session): Protects law-abiding gun owners by clarifying what was a vague definition of “concealed carry”. The measure was vigorously opposed by gun-control groups but was held to be constitutional by the Mississippi Supreme Court.
- House Bill 485 (2013 Regular Legislative Session): Protects the privacy of law-abiding gun owners by removing sensitive permit holder information from publicly accessible records.



## Measuring Our Success

The best measure of our success in governing responsibly is evidence that Mississippi is showing real improvements in its efficiency and fiscal health. This includes an increase in cash savings, stability or growth in the state’s credit rating, and evidence that spending on state agencies and programs are generating results.

Important benchmarks include:

- adoption and implementation of legitimate performance-based budgeting standards;
- maintaining or increasing the state’s credit rating;
- adhering to “the 98 percent rule”; and
- filling the Rainy Day Fund to its statutory limit.

## Conclusion

Of all the things that make Mississippi great, perhaps none is more valuable than our ability to persevere and achieve great things together. Mississippians as a whole are without a doubt the most resilient, the most passionate, and the most capable people in this nation. Time and time again, history proves that when we fix our focus on a goal—be it repairing the damage wrought by natural disasters or launching entire new industries and state economic sectors—we are bold enough to do whatever it takes to achieve success. As Governor, I am thankful for the opportunity to chart the course forward for our state. Our hard work is already yielding rewards, and we are equipping ourselves with the tools to take full advantage of the next opportunities that will come our way.

